

LAW OFFICE
THOMAS F. McFARLAND, P.C.
208 SOUTH LASALLE STREET - SUITE 1890
CHICAGO, ILLINOIS 60604-1112
TELEPHONE (312) 236-0204
FAX (312) 201-9695
mcfarland@aol.com

THOMAS F. McFARLAND

August 17, 2006

By e-filing

Vernon A. Williams, Secretary
Surface Transportation Board
Case Control Unit, Suite 713
1925 K Street, N.W.
Washington, DC 20423-0001

Re: Finance Docket No. 34890, *PYCO Industries, Inc. -- Feeder Line Application --
South Plains Switching, Ltd. Co.*

Dear Mr. Williams:

In behalf of Respondent South Plains Switching, Ltd. Co. (SAW), this is to respectfully request an extension of 30 days of all filing dates in the procedural schedule adopted in the Board's decision served August 16, 2006. In exchange for the requested extension, SAW is agreeable to a corresponding 30-day extension of alternative rail service by West Texas & Lubbock Railway Company (WTLR), either under 49 C.F.R. Part 1147, or by means of an agreed exemption from the time limit for alternative rail service under 49 U.S.C. § 11123(a) and 49 C.F.R. Part 1146.

I have spoken with the attorneys for PYCO Industries, Inc. (PYCO) and Keokuk Junction Railway Company (KJRY). KJRY agreed to the requested extension. PYCO agreed only to a 3-day over-the-weekend extension, per the attached message. As explained below, an abbreviated extension of that nature is insufficient in the circumstances.

SAW recognizes that it was SAW itself that suggested the August 18, 2006 filing date for its evidence and argument on the "all-SAW" alternative. (SAW letter dated August 4, 2006). However, subsequent to that suggestion, SAW's expert witness on track conditions was called away to work on the collapse of a railroad bridge. The issue of the need for track rehabilitation and/or rail replacement is important in the valuation of the "all-SAW" trackage as a going concern. SAW's expert witness will be tied up on the bridge replacement project for a considerable period of time, making a 30-day extension the minimum amount of time required. Inasmuch as that witness has familiarity with some of the SAW trackage by virtue of his involvement in the "Alternative Two" proceeding, it would be impractical and prohibitively

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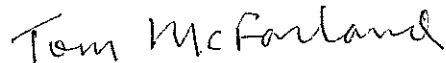
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expensive for SAW to retain a different expert in track conditions at this time. Any new witness would have to inspect the trackage and prepare evidence. That would require approximately the same amount of additional time.

SAW apologizes to the Board and to the parties for the inconvenience caused by this state of affairs. The requested extension of filing dates, conditioned on a corresponding extension of the alternative rail service period, is designed to avoid prejudice to any party. WTLR would provide rail service to PYCO during the extended 30-day alternative service period. While SAW denies that it has ever threatened to retaliate against any shipper in Lubbock, SAW hereby specifically certifies that it would not retaliate or threaten to retaliate against any shipper who has supported PYCO's FLA.

SAW respectfully requests expedited Board action on this requested extension.

Respectfully submitted,



Thomas F. McFarland
*Attorney for South Plains
Switching, Ltd. Co.*

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cc: (by e-mail)
Charles H. Montange, Esq.
Gary McLaren, Esq.
John D. Heffner, Esq.
William Mullins, Esq.
David C. Reeves, Esq.
Daniel A. LaKemper, Esq.
William C. Sippel, Esq.
Andrew P. Goldstein, Esq.
Mrs. Delilah Wisener
Mr. Dennis Olmstead
Mr. Joseph Plaistow
Mr. Ed Landreth

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From: c.montange@verizon.net
To: mcfarland@aol.com
Subject: SAW request for extension of time
Date: Thu, 17 Aug 2006 12:14 PM

To: Tom McFarland, for SAW
From: Charles Montange, for PYCO

STB provided until August 18 for SAW's valuation case on all-SAW, and August 21 for discovery responses on all-SAW. PYCO is to respond 7 days after discovery response. You indicate SAW's expert is working on a bridge project in Arizona and you desire 20 additional days. I have consulted with PYCO.

In response to your request for an extension of time in the amount of 20 days for filing SAW's valuation, PYCO notes that it is amenable to consenting to SAW's filing of its case on August 21, the same day as discovery responses are filed, because that will not slow the case in that all STB's other filing deadlines in its August 16 order can remain unaltered. PYCO cannot consent to any further extension. PYCO continues to desire a decision in the feeder line case by October 23. Among other things, PYCO management continues to be extremely nervous of any delays in the procedural schedule in the feeder line application with SAW in light of its recent very adverse experiences with SAW in respect to the crossing, the Choo Choo episode, the lease terminations, and so on. PYCO is also concerned that any extension will be used by Pioneer/KJRY as an excuse to prolong this proceeding essentially indefinitely, and that would be extremely prejudicial. Finally, even if SAW were to consent to some form of alternative service to PYCO past October 23 as you suggest to mitigate prejudice to PYCO, a number of shippers who furnished PYCO with statements of support are extremely concerned about retaliation against them and have made clear their interest in a prompt proceeding. We believe a delay past October 23 is prejudicial to the shippers generally and that there is no way to mitigate it if we were to consent to an extension. PYCO sees its interests in the end as parallel to the shippers on SAW's lines and the majority desire a new carrier as quickly as possible in order to ensure adequate and reliable service.